

FREIGHT FORWARDER'S LEGAL LIABILITY INSURANCE

IMPORTANT

This Policy, Schedule and endorsements (if any) shall be read together and construed as one contract of insurance. Headings and underlining in this Policy are for convenience or reference only and are not to be deemed in any way to limit or affect the interpretation of this contract. Please examine it carefully to ensure it meets your requirements. Should there be any inconsistency or contradiction between this Policy and the Schedule (or endorsements), the terms in the Schedule or endorsements shall prevail.

Preamble:

In consideration of the Insured named in the Schedule having paid or agreed to pay to **Tokio Marine Insurance Singapore Ltd.** (hereinafter called "the Insurer") the premium stated in the Schedule and in reliance upon the truth of the statements and representations made to the Insurer by proposal, facts, information, attachments and/or materials incorporated therein, the Insurer agrees to provide insurance in the manner hereinafter provided.

Article 1: Scope of Cover

Subject to the terms, conditions, limits of liability and deductible(s) of this Policy, the Insurer shall indemnify the Insured in respect of their legal liability for physical loss of or damage to their customers' goods (excluding goods, merchandise and/or transportation equipment owned or hired by or leased or loaned to the Insured) occurring during the Period of Insurance stated in the Schedule and arising under the following laws and contracts:

- (a) the applicable international convention (such as Warsaw, Montreal, CMR, CIM, Hamburg Rules, Hague Rules, Hague-Visby Rules) or the national law that applies to the Insured Services;
- (b) the Insured's Standard Trading Conditions as seen and approved by the Insurer;
- (c) the Insured's House Bill of Lading and House Air Waybill (or the IATA neutral Air Waybill) as seen and approved by the Insurer;
- (d) the Terms and Conditions of SAAA and/or SLA of which the Insured is a member; or
- (e) the specific freight or transportation services contracts or contracts of bailment (which the Insured have with their customers or cargo owners) as seen and approved by the Insurer and incorporated in Appendix 2 attached to this Policy.

In the event that the above conditions are not incorporated in the Insured's contracts with their customers or cargo owners, the indemnity of the Insurer in case of loss or damage to the goods shall be in accordance with the liability limits as defined in the mandatory national laws or applicable international convention. In the absence of such laws or where such laws do not impose mandatory liability limits, the Insurer's indemnity shall be governed by the terms of SAAA or SLA applicable for the insured services in question or in the absence of such terms, the Insurer's liability shall be limited to [] per kilo gross weight of the affected part of the shipment.

Provided always that in no case shall the Insurer's liability exceed the Policy limits stated in the Schedule and which is subject to a deductible of [] per any one accident, incident or occurrence.

Article 2: Insured Risks

Subject to the limits of liability, terms, exclusions and conditions stated in the Policy or endorsed during the Period of Insurance of this insurance:

(a) General Average Contribution

The Insurer shall pay the Insured's liability for general average contributions in terms of a general average statement made in accordance with the applicable law or in consideration of the York-Antwerp Rules, but only to the extent that the general average measures were taken to prevent a loss for which the Insurer would have been liable.

In the event that the above requires the issuance of a general average guarantee by the Insurer, the Insured warrants that they shall not release:

- (i) this general average guarantee to any party without the Insurer's prior written agreement; and
- (ii) any cargoes to their consignees without taking counter security for general average, salvage and special charges.

Should the Insured release cargo without obtaining counter security, the Insured shall reimburse the Insurer any sums the Insurer is obliged to pay in respect of such cargo.

In no case under this insurance shall there be any allowance in general average and/or salvage for or in respect of any loss or damage liability cost or expense whatsoever howsoever arising or incurred in respect of damage whatsoever to the environment, or any threat of such damage, or in consequence of any actual, alleged or threatened discharge, dispersal, release or escape of pollutants from any goods, property, vessel, craft, conveyance or container whatsoever.

(b) Legal Costs and Claims Expenses

With the prior written consent of the Insurer, the Insurer shall pay the Insured all legal costs and other claims expenses necessarily and reasonably incurred by the Insured in the mitigation, investigation, defence or settlement of any claim made against the Insured and which is covered under this Policy as well as all costs and expenses recoverable by any claimant from the Insured. The Insurer's indemnity for such costs and expenses plus the value of any claim settled shall not exceed the limit of indemnity contained in the Schedule and/or elsewhere in this insurance and subject always to the deductible as specified in the Schedule.

Article 3: Limit of Indemnity

Where there are two or more claims resulting from the same occurrence or from a series of similar, related and connected occurrences, the limit of indemnity and deductible applicable under this Policy shall be applied as for one claim. The aggregate limit of indemnity is the maximum amount the Insurer will indemnify the Insured under this Policy for all claims during the Period of Insurance stated in the Schedule.

Article 4: Conditions

(a) Duty of Disclosure

It is a condition under this insurance that the Insured shall fully disclose all material facts and/or matters and/or information and/or circumstances which the Insured knows or ought

to know prior to the attachment of this insurance. Any misrepresentation, mis-description and/or non-disclosure of any material information whether deliberately or innocently shall entitle the Insurer to treat this Policy as void from inception at the Insurer's discretion.

Throughout the currency of this Policy, the Insured shall be under a continuing duty to disclose any material change(s) in circumstance which may emerge or arise after the inception of this insurance. Failure to do so shall similarly entitle the Insurer to treat this Policy as void from the time the Insured failed to disclose the material change(s).

(b) Costs and Expenses

Notwithstanding anything expressed in this insurance to the contrary, all costs and/or expenses are subject to and inclusive within the limits of indemnity contained in the Schedule and/or elsewhere in this insurance and subject always to the deductible as specified in the Schedule.

(c) Not to Inure

In no case shall this insurance inure, directly or indirectly to the benefit of any other person, firm, company, corporation, association or concern whatsoever howsoever constituted or of their insurers and, without prejudice to the generality of the foregoing, in no case shall this insurance inure to the benefit of any carriers, bailees, agents or sub-contractors (whether in direct contractual relationship with the Insured or not) or any servants, agents or sub-contractors of any of them, or of any insurers of any of them, or of any other party whatsoever.

(d) Agents and Sub-Contractors

The Insurer shall indemnify the Insured whilst the goods are in the care, custody and control of their sub-contractors but in no circumstances shall the benefit of this insurance pass to any sub-contractors and/or agents or the underwriters of the sub-contractors and/or agents. The Insured shall use their best endeavours to ensure that all sub-contractors and agents that they utilize comply with the following conditions:

- (i) the sub-contractor and/or agent shall assume under any trading conditions or other contract terms howsoever designated in all respects no lesser liability than the Insured;
- (ii) the sub-contractor and/or agent shall be fully insured with an insurance company of good financial standing and reputation in respect of any pertinent liability in full; and
- (iii) the sub-contractor and/or agent must be properly instructed in writing by the Insured as to their responsibilities.

(e) Waiver of Rights of Subrogation Against the Insured

In so far as it applies to the operation of this insurance, the Insurer hereby agrees to waiver of rights of subrogation against the Insured and their employees.

(f) Defending Lawsuits

The Insurer shall defend a suit for a covered claim and shall have the right to adjust, negotiate, settle and/or to otherwise litigate any suit or claim. In so doing, the Insurer shall pay all costs of investigating and defending the suit, including interest on any covered part of any judgment provided that the amount does not exceed the applicable limit of indemnity under this Policy.

(g) Restricted Destinations

This insurance will not cover claims arising from any of the insured services that are subcontracted to a third party operating in Afghanistan; Africa (excluding South Africa); Albania; Aceh, Ambon & West Timor (in Indonesia); Bolivia; Bosnia; CIS Countries; Cambodia; Columbia; Cuba; East Timor; Ecuador; Haiti; Iran; Iraq; Israel & the Palestinian Authority; Laos; Lebanon; Mongolia; Montenegro; Myanmar; North Korea; Oman; Serbia; Syria; Tibet; Yemen, Yugoslavia and any other places with political unrest and/or war whether declare or not except where the carriage of such cargo is under a contract of carriage issued by the Insured's nominated airline or ocean carrier which covers the same risk and responsibility as the House Air Waybill or Bill of Lading issued by the Insured.

(h) Premium Adjustment

If the premium for this Policy is calculated based on estimated turnover or tonnage (as the case may be) furnished by the Insured, the Insured shall keep an accurate record containing all necessary particulars and shall at all reasonable times allow the Company to examine or verify such record. Upon expiry of each Period of Insurance or on termination of this Policy, the Insured shall declare these particulars for premium adjustment and if such particulars differ from the initial estimate upon which the first premium has been provisionally paid, the difference in premium shall be met by a further payment to or return by the Insurer as the case may be subject to any minimum and deposit premium required.

(i) Premium Payment

Premium must be paid to the Insurer within the terms of credit shown in the Schedule. Where a single full annual premium payment is to be made, failure by the Insured to pay by the date agreed shall entitle the Insurer to cancel the Policy from inception upon written notification to the Insured or their intermediary. Where a part payment of premium (such as an installment) has been agreed, failure by the Insured to pay such amount by the specified date, the Policy is automatically cancelled from inception and reinstatement shall be at the Insurer's sole discretion.

Article 5: Exclusions

Notwithstanding anything expressed or implied to the contrary elsewhere in this Policy, in no case shall this insurance indemnify the Insured in respect of liabilities and/or costs and expenses and/or other events defined in the provisions hereunder:

(a) Fines, Penalties and Other Liquidated Damages

In no case shall this insurance cover claims for fines, penalties and other liquidated damages imposed upon the Insured by any competent public authority for alleged violation of any import/export declaration, customs clearance or quota, transportation law and/or tax/excise/duty/customs regulation whatsoever.

(b) Dishonesty, Deliberate, Willful, Reckless and/or Intentional Conduct

In no case shall this insurance cover any claims, loss/damage liability or expenses caused by or arising (either directly or indirectly) from any illegal trade, dishonesty, collusion, infidelity, fraud, malicious, willful or deliberate act, criminal act or omission, reckless or intentional conduct, an example of which may be the failure to establish proper systems and controls.

(c) Enumeration of Packages

In no case shall this insurance cover any claim for loss/damage liability caused by the Insured issuing a house bill of lading enumerating the packages of cargo but failing to obtain from the ocean carrier a master bill of lading which incorporates a corresponding enumeration as their house bill of lading. This exclusion shall only apply to the extent that the Insured's liability is increased by such occurrence.

(d) Excluded Goods

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or contributed to by or arising (either directly or indirectly) from the Insured undertaking insured services in respect of any of the following goods:

- (i) Firearms, ammunition, explosive, military vehicles and related items
- (ii) Livestock and bloodstock
- (iii) Furs, objects of art (with value in excess of US\$2,000 per item), valuable paintings, antiques, porcelains, crystal articles, earthenware, china, marble, rare glass and other similar items of brittle nature
- (iv) Precious stones or gems, jewels and the likes
- (v) Money, bullion, bonds, bank notes, coins of any kind, currency notes, currency or cash equivalents of any kind, manuscripts, stamps, deed, stocks, and/or vouchers and/or tokens and/or tickets of any kind, credit and/or debit and/or cash dispenser cards of any kind, negotiable instruments or securities of any kind or equivalent to cash, and non-negotiables including but not limited to crossed cheques and any other documents which are non-negotiable or not equivalent to cash
- (vi) Any goods being towed except whilst loaded in or on a trailer, container or other recognized transport unit

(e) Excluded Risks

This insurance shall not be liable to indemnify the Insured for any loss and/or damage liability or expenses arising out of or caused by:

- (i) ordinary wear and tear, spontaneous combustion, sweat, mildew, decay, deterioration, discoloration and/or rust caused by inherent vice or nature of the cargo
- (ii) defects in goods or products manufactured, processed, graded, blended, supplied; or any withdrawal or recall; or repairs carried out by the Insured or their sub-contractor; or replacement or loss of use arising therefrom
- (iii) inadequate or insufficient packing
- (iv) delay; loss of market, loss of sales, depreciation, consequential or indirect loss or interruption of business
- (v) increased liability due to declaration of ad valorem value without the prior written consent of the Insurer
- (vi) documentation errors and/or omissions
- (vii) confiscation, seizure, destruction or disposal by quarantine and/or other public authority
- (viii) the dumping, handling, processing, treatment and/or storage of any waste
- (ix) force majeure events such as earthquake, volcanic eruption, flood, tidal wave, high tide, lightning, storm, hailstorm and other Acts of God
- (x) cargo weight exceeding the maximum payload recommended by the manufacturer of the handling equipment
- (xi) customs duty, sales or excise tax or similar fiscal charge except as may be specifically agreed by Insurer as covered
- (xii) a provision in an agreement which requires the Insured to accept liability if delivery is not made within a certain time
- (xiii) Insured accepting loss/damage liability without weight or package limitation

(xiv) Insured incurring liability without fault or negligence

(f) Financial Risks

This insurance shall not cover claims caused by the Insured's inability to pay or collect debts, or the insolvency or financial default of the Insured or any person with whom they contracted whether directly or indirectly or any error or defect in any monetary transaction, including COD and CAD transactions or the wrongful accounting of customers' funds or funds held in trust on their behalf, or to the extent that any claim, loss/damage liability or expense is aggravated by the Insured not paying promptly or at all, any account.

(g) Loss of Life or Personal Injury

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or contributed to by or arising (either directly or indirectly) from death of or bodily injury to or illness or trauma of or any syndrome suffered by a person or living creature.

(h) Performance Guarantee

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or contributed to by or arising (either directly or indirectly) from any contract guarantee, performance bond or penalty clause, or any deadline whatsoever howsoever incorporated into any agreement or contract into which the Insured entered in respect of or in connection with any goods and/or any service provided or procured by the Insured.

(i) Seepage, Pollution and Contamination

This insurance will not cover any claims for seepage, pollution, contamination and/or damage to the environment, third party, public or private property whatsoever howsoever arising and/or any threat thereof whatsoever howsoever arising including but not limited to claims arising out of accidental, sudden or gradual, foreseeable or unforeseeable, intentional or unintentional occurrences.

(j) Punitive or Exemplary Damages

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or contributed to by or arising (either directly or indirectly) from any punitive, exemplary, multiplied or other statutory damages awarded against the Insured or any person for whom the Insured may be held liable.

(k) Temperature Controlled Goods

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or contributed to by or arising (either directly or indirectly) from any failure, malfunction, derangement or breakdown of any refrigeration or chilling or cooling plant or machinery or equipment or any seepage or leakage of refrigerant or any unsuitability or insufficiency of insulation or any failure to set and/or check and/or regulate properly or at all any temperature control and/or observe any temperature indicator and/or take all reasonable steps to maintain any stipulated temperature or keep within any stipulated range of temperature.

(l) Unexplained Loss or Mysterious Disappearance

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or contributed to by or arising (either directly or indirectly) from any unexplained loss or mysterious disappearance of goods whilst in store including any unexplained discrepancy between any records made or kept by the Insured and any produced by any customer, any

loss subsisting only in a profit and loss comparison or computation, or in the absence of satisfactory physical or recorded evidence of tampering any loss or shortage (i) discovered upon taking inventory or preparing goods for any movement, and (ii) not traceable to an identifiable event.

(m) Unattended Vehicle Exclusion Clause

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or arising (either directly or indirectly) from theft or loss of cargo from a vehicle when left unattended whilst being operated by the Insured unless:

- (i) resulting from the violent and forcible entry whilst the vehicle is in a secure and locked compound or warehouse with all windows, doors and other means of access fully closed, fastened and locked and all keys including ignition keys removed from the vehicle;
- (ii) in respect of rest breaks or overnight stops, that such rest breaks or overnight stops are only taken at recognized and designated parking areas for road hauliers; or
- (iii) forced entry whilst the vehicle is only temporarily left unattended while at the Insured's customer's premises for the purposes of making a delivery.

In the event of a claim the onus shall be on the Insured to demonstrate that these procedures were adhered to. Notwithstanding that this clause does not extend to apply to the Insured's sub-contractors, the Insured shall use their best endeavours to ensure that sub-contractors do not leave any vehicle and/or trailer and/or container unattended unless:

- (i) all points of entry and/or access to the vehicle and/or cargo space are securely locked and closed and the ignition keys removed from the vehicle whenever left loaded and unoccupied and/or unattended; and
- (ii) that all protective and locking devices, including alarms and immobilizers, are in working order and maintained in accordance with the manufacturer's specifications; and
- (iii) that any rest breaks or overnight stops are only taken at recognized and designated parking areas for road hauliers.

(n) Wrongly Release of Cargo Exclusion Clause

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or arising (either directly or indirectly) from the release of goods unless:

- (i) in respect of negotiable bills of lading or other documents of title, against the surrender of the original bill of lading or document of title; and
- (ii) in respect of air waybills, straight bills of lading or other non-negotiable document of carriage, upon presentation of the original (and not a photocopy, facsimile copy or electronic copy) document of carriage or where applicable the bank release letter from the bank named on the air waybill or other similar document of carriage.

(o) War, Strikes and Terrorism Exclusion Clause

In no case shall this insurance cover any claim, loss/damage liability or expenses caused by or contributed to by or arising (either directly or indirectly) from war, civil war, revolution, rebellion, insurrection or civil strife arising therefrom, or any hostile act by or against a belligerent power; confiscation or expropriation; capture, seizure, arrest, restraint or detainment and the consequences thereof or any attempt thereat; any terrorist act or any person(s) acting maliciously or from a political or ideological motive; strikers, locked-out workmen, or persons taking part in labour disturbance, riots or civil commotions; derelict mines, torpedoes, bombs or other derelict weapons of war.

(p) Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical, Electromagnetic Weapons Exclusion Clause

In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from:

- (i) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (ii) the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- (iii) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes
- (v) any chemical, biological, bio-chemical, or electromagnetic weapon.

(q) Institute Cyber Attack Exclusion Clause

- (i) Subject only to Clause (ii) herein, in no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.
- (ii) Where this clause is endorsed on policies covering risks of war, civil war, revolution, rebellion, insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power, or terrorism or any person acting from a political motive, Clause (i) herein shall not operate to exclude losses (which would otherwise be covered) arising from the use of any computer, computer system or computer software programme or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

(r) Information Technology Hazards Exclusion Clause

Losses or liability otherwise recoverable under this Policy arising, directly or indirectly, out of:

- (i) Loss of, or damage to, or
- (ii) a reduction or alteration in the functionality or operation of a computer system, hardware, programme, software, data, information repository, microchip, integrated circuit or similar device in or connected with computer equipment or non-computer equipment, whether the property of the policyholder or not shall not be aggregated.

(s) Electronic Date Exclusion Clause (Cargo)

This insurance does not cover any loss, damage or liability directly or indirectly caused by or consisting of or arising from the failure or inability of any computer, electronic equipment, data processing or media microchip, embedded chip, integrated circuit or similar device, or firmware or any computer software, whether the property of the Insured or not occurring at any time to:

- (i) correctly recognize any date as its true calendar date;

- (ii) capture save or retain, and/or correctly to manipulate, interpret or process any data or information or command or instruction as a result of treating any date otherwise than as its true calendar date;
- (iii) capture save retain or correctly to process any data as a result of the operation of any command which has been programmed into any computer software, being a command which causes the loss of data or the inability to capture save retain or correctly to process such data on or after any date.

But this shall not exclude subsequent loss or damage not otherwise excluded, which itself result from a Defined Peril.

The words "Defined Peril" shall mean fire, lightning, explosion, aircraft or other aerial devices or articles dropped therefrom, riot and strike, malicious damage, earthquake, storm, flood, escape of water from any tank apparatus or pipe or impact by any road vehicle or animal where such loss or damage is insured by the policy.

Subject otherwise to the terms, exceptions and conditions of this Policy.

(t) Cargo ISPS Endorsement

In no case shall this insurance cover loss, damage liability or expense where the cargo is carried by a vessel that does not hold a valid International Ship Security Certificate as required under the International Ship and Port Facility Security (ISPS) Code when, at the time of loading of the cargo on board the vessel, the Insured was aware, or in the ordinary course of business should have been aware that such vessel was not certified in accordance with the ISPS Code as required under the SOLAS Convention 1974 as amended.

(u) Cargo ISM Endorsement

Applicable to shipments on board Ro-Ro passenger ferries.
Applicable with effect from 1 July 1998 to shipments on board:

- (i) passenger vessels transporting more than 12 passengers; and
- (ii) oil tankers, chemical tankers, gas carriers, bulk carriers and cargo high speed craft of 500 GT or more.

Applicable with effect from 1 July 2002 to shipments on board all other cargo ships and mobile offshore drilling units of 500 GT or more.

In no case shall this insurance cover loss, damage liability or expenses where the cargo is carried by a vessel that is not ISM Code certified or whose owners or operators do not hold an ISM Code Document of Compliance when, at the time of loading of the cargo on board the vessel, the Insured was aware, or in the ordinary course of business should have been aware:

- (i) either that such vessel was not certified in accordance with the ISM Code
- (ii) or that a current Document of Compliance was not held by her owners or operators as required under the SOLAS Convention 1974 as amended.

Article 6: Claims

The Insured shall use their best endeavours to prevent, minimize or mitigate any loss or claim which may be recoverable under this insurance. The cover under this insurance is subject to the following clauses which shall be precedent to the Insurer's liability under this insurance:

(a) Claims Notification

In the event of an accident, incident or occurrence which is likely to give rise to a claim under this insurance, the Insured shall expeditiously give notice to the Insurer in writing with full details and particulars in respect thereof.

Every demand, letter, claim, facsimile, telex, notice, writ, summons, notice of arbitration, process and legal papers howsoever relating thereto shall be notified and forwarded to the Insurer immediately upon receipt by the Insured or his representatives. This duty arises whether or not any claim has been made against the Insured.

The Insured warrants that all claims resulting from theft or where theft may reasonably be suspected shall be reported to the police immediately.

(b) Insured's Privilege

Up to the amount of the applicable deductible/excess and with respect to each loss, the Insured shall have the privilege of settling any claim covered by this Policy, but shall warrant that all such settlements shall be made on a "Without Prejudice" basis.

Notwithstanding the above, all lawsuits must be promptly reported to the Insurer.

(c) Claims Conduct

The Insured shall exercise utmost good faith in and about making any claim hereunder:

- (i) The Insured shall ensure that all rights against carriers, bailees and other third parties are properly preserved and exercised.
- (ii) The Insured shall not waive any rights of recourse against any agent and/or sub-contractor unless specifically agreed by the Insurer and noted in the Schedule.
- (iii) Neither the Insured nor any person acting on their behalf shall admit any liability or responsibility for any loss or claim, make any promise, offer payment or pay out any money without the Insurer's written authorization.
- (iv) Without prejudice to any other provisions in this Policy and without waiving any of the Insurer's rights hereunder, the Insurer may at any time on behalf of the Insured appoint lawyers, surveyors, loss adjusters or other persons for the purpose of dealing with any matter liable to give rise to a claim under this Policy.
- (v) The Insurer shall be entitled to take over the conduct in the name of the Insured any negotiations, legal proceedings, defence or settlement of any claim for which the Insurer may be liable hereunder. Furthermore, the Insurer shall be entitled to prosecute for their own benefit in the name of the Insured any claim and shall have full discretion in the conduct of any proceedings and the settlement of any claim.

(d) Deductible

The Insurer shall be liable to settle the claim after deduction of the deductible stated in the Schedule.

(e) Apportionment of Recoveries Clause

Any amount recovered or recoverable from a third party in respect of any claim shall be credited to the Insurer to the full extent of their liability for the claim (including costs incurred in effecting recovery). Any balance shall be credited to the Insured to the extent of the amount borne by the Insured in respect of such claim. Where a recovery exceeds (i) such amount that has been paid by the Insurer and (ii) the amounts borne by the Insured, such excess shall be apportioned equitably between the Insurer and the Insured, taking into account such factors as the amounts paid or borne by each and the dates on which they were paid or borne.

(f) Subrogation

The principles of subrogation shall at all times apply to this Policy and the Insured shall provide all reasonable assistance, operation, relevant information and documentation to enable the Insurer to pursue a subrogated claim.

Article 7: General

(a) Inspection of Records

The Insurer shall have the privilege during normal business hours to inspect or examine the Insured's books and records as they relate to this insurance during the term of this Policy and up to three (3) years after this Policy ends or the last claim was reported, whichever is later.

(b) Amendments

This policy may only be changed or amended by written endorsement that becomes part of this Policy. The endorsement is by way of an addendum signed by a duly authorized representative of the Insurer.

(c) Renewal

Prior to expiry of the Period of Insurance, the Insurer may ask the Insured to complete a renewal questionnaire for which the Insurer anticipates (but giving no guarantee) to offer the same terms and conditions or propose revised terms, conditions and rate for the renewal. If revised terms, conditions and rate are needed, the Insured and Insurer agree to negotiate in good faith for the new annual policy.

(d) Other Insurances

If at the time a claim arises under this Policy, there is other existing policy or policies covering the same liability, the Insurer shall not be liable to pay or contribute more than the rateable proportion of such liability.

(e) Assignment

Assignment or transfer of this policy to any other party shall not be valid without the prior written consent of the Insurer.

(f) Cancellation Notice

This insurance may be cancelled at any time by the Insured or the Insurer giving thirty (30) days advance written notice. Such notice shall run from midnight of the day of issue of notice. If this insurance is terminated at the request of the Insured, the Insurer will retain the customary short period rate for the time the Policy has been in force. If it is terminated at the option of the Insurer, the Insurer shall be liable to refund on demand a rateable proportion of the premium for the unexpired term from the date of the cancellation.

(g) Severability

The invalidation of any one of the terms, conditions or provisions of this Policy by judgment or court order shall in no way affect any of the other terms, conditions and provisions hereof and the remainder of this Policy shall continue to be in effect.

(h) Law and Jurisdiction

This insurance will be governed by and construed in accordance with English law and any dispute arising out of or in connection with it should be determined by the High Court of Justice in Singapore.

Signed for and on behalf of the Insurer

Date:

Glossary

CAD	Cash against documents
CIM	Convention for international carriage of goods by rail
CMR	Convention for international carriage of goods by road
COD	Cash on delivery
IATA	International Air Transport Association
SAAA	Singapore Aircargo Agents Association
SLA	Singapore Logistics Association (SLA)

APPENDIX 1 – STANDARD TRADING CONDITIONS

[Attach Insured's specimen House Air Waybill, House Bill of Lading, etc]

APPENDIX 2 – CONTRACTS WITH CUSTOMERS

[Attach copies of agreements which the Insured have entered with their Customers]